

1 THE REGULAR MEETING
2 OF THE
3 BOARD OF DIRECTORS
4 TRABUCO CANYON WATER DISTRICT
5 AUGUST 19, 2009
6

7 The Regular Meeting of the Board of Directors of the Trabuco Canyon
8 Water District (TCWD) was called to order by President Matt Disston at 7:00
9 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon
10 Drive, Trabuco Canyon, CA. Sharon E. Smith, Secretary/Treasurer, recorded and
11 transcribed the minutes thereof.

12 **DIRECTORS PRESENT**

13 Matt Disston, President
14 Mike Safranski, Vice President
15 Jim Haselton
16 Glenn Acosta
17 Ed Mandich

18 **STAFF PRESENT**

19 Don Chadd, General Manager
20 Hector Ruiz, District Engineer
21 Sharon E. Smith, Secretary/Treasurer
22 Teresa Teichman, Assistant to the General Manager
23 Michael Perea, Special Projects Manager

24 **PUBLIC PRESENT**

25 No members of the public were present.

26 **PLEDGE OF ALLEGIANCE**

27 Mr. Michael Perea, Special Projects Manager, led the Board and staff in
28 the pledge of allegiance.

PUBLIC COMMENTS

Public comments were announced; there were no comments.

ORAL COMMUNICATION

Oral communication was announced; there were no comments.

DIRECTOR'S COMMENTS

1 Vice President Safranski provided information from a recent Southern
2 California Edison meeting he attended.

3 Director Acosta noted that he attended the August 19, 2009 Municipal
4 Water District of Orange County (MWDOC) Board Meeting and congratulated the
5 newly appointed MWDOC Director from Division 6, Mr. Jeffery Thomas.

6 President Disston provided information from the recent South Orange
7 County Wastewater Authority Meeting.

8 **REPORT FROM THE GENERAL MANAGER**

9 Mr. Don Chadd, General Manager, noted he received a letter from
10 Supervisor Pat Bates inviting the District to comment on the County of
11 Orange's 2010 Legislative Platform. The matter will be agendized for the
12 September 16, 2009 Regular Board Meeting.

13 **ITEMS TOO LATE TO BE AGENDIZED**

14 Mr. Don Chadd noted that two items arose after the posting of the agenda
15 and the need exists to hear the items prior to the next regularly scheduled
16 Board Meeting.

17 MOTION: A motion was made by Director Acosta and seconded by Vice
18 President Safranski finding that an item relating to the
19 acquisition of a SolarBee for Dove Lake arose after the
posting of the agenda and that action must be taken prior to
the September 16, 2009 Regular Board Meeting. The item will
be agendized as Item No. 1R. The motion carried 5-0.

20 MOTION: A motion was made by Director Acosta and seconded by
21 Director Mandich finding that an item relating to the
22 nomination of a candidate for the Association of California
Water Agencies position of Vice President arose after the
posting of the agenda and that action must be taken prior to
the September 16, 2009 Regular Board Meeting. The item will
be agendized as Item No. 1S. The motion carried 5-0.

23 **CONSENT CALENDAR**

24 President Disston announced that all matters under the Consent
25 Calendar would be approved by one motion unless a Board Member requests a
26 separate action on a specific item.

27 MOTION: A motion was made by Director Hasleton and seconded by Vice
28 President Safranski to approve the Consent Calendar, Item
Nos. 1A through 1H, as presented. The motion carried 5-0.

ACTION CALENDAR

1 President Disston stated that the General Manager and staff had
2 reviewed all matters under the Action Calendar prior to the Board's
3 consideration.

4 **ADMINISTRATIVE MATTERS**

5 **ITEM NO. 1I. DISCUSSION AND POSSIBLE ACTION RELATING TO ORANGE COUNTY**
6 **GRAND JURY REPORTS**

7 Mr. Chadd reviewed the District's proposed responses to the Orange
8 County Grand Jury Reports concerning water supply issues and stated that
9 comments from legal counsel were included in supplemental pages provided in
10 the Directors' action folders. Directors made several comments which will be
11 included in the responses.

12 MOTION: A motion was made by Vice President Safranski and seconded
13 by Director Mandich to approve the responses to the Orange
14 County Grand Jury Reports concerning water supply issues,
15 including comments by Directors and legal counsel. The
16 motion carried 5-0.

17 **ITEM NO. 1J. STATUS UPDATE RELATING TO CALIFORNIA DROUGHT AND WATER**
18 **CONSERVATION EFFORTS**

19 Mr. Perea provided information from a recent meeting with
20 representatives from the City of Rancho Santa Margarita and other entities
21 relating to Assembly Bill 1881. Mrs. Teresa Teichman stated that the District
22 is continuing to forward letters to customers concerning water conservation.
23 Mr. Chadd stated that property management firms have been requested to provide
24 information to the landscape providers for their associations relating to the
25 water conservation ordinance.

26 The Water Monitoring Report for fiscal year 2008/2009 compared to fiscal
27 year 2007/2008 was presented for the Board's review and information.
28 Additionally, the June and July 2009 High Consumption Reports for residential
customers were presented and discussed.

The Board received and filed the status update.

ITEM NO. 1K. RATIFY LETTER OF SUPPORT OF SENATE BILL 696 (WRIGHT)

Mr. Chadd noted that the District received a request to provide a
support letter of Senate Bill 696 (Wright) which would allow the South Coast
Air Quality Management District (AQMD) exemption from the California

1 Environmental Quality Act (CEQA) requirements, except as specified, so the
2 AQMD could immediately issue urgently needed air permits.

3 Mr. Chadd noted that the Orange County Fire Authority (OCFA) identified
4 the pump station on Canyon Creek as a critical infrastructure facility for
5 fire prevention purposes. However, because of the AQMD permitting
6 requirements, a permanently installed generator cannot be permitted at this
7 time.

8 MOTION: A motion was made by Vice President Safranski and seconded
9 by Director Mandich ratifying the August 12, 2009 letter of
10 support of Senate Bill 696 (Wright). The motion carried 5-
11 0.

12 FINANCIAL MATTERS

13 ITEM NO. 1L. DISCUSSION AND POSSIBLE ACTION RELATING TO WATER RELIABILITY 14 AND EMERGENCY STORAGE FEE

15 Mr. Chadd reviewed the three significant projects included in the Water
16 Reliability and Emergency Storage Fee, including:

- 17 • Baker Regional Water Treatment Facility (estimate of \$4,000,000)
- 18 • Rose Canyon and Lang Wells Facilities Upgrades (estimate of
19 \$4,100,000)
- 20 • Construction of a 2.0 Million Gallon Domestic Water
21 Reservoir/Distribution Improvements (estimate of \$3,830,000)

22 Mr. Chadd explained that the estimates are conservative; the District
23 can charge a lesser fee than indicated in the Notice of Public Hearing
24 provided in the Board packet but cannot charge a higher fee. Final costs for
25 each project should be available at the time of the November 18, 2009 Public
26 Hearing. Comments from Directors will be included in the Notice of Public
27 Hearing.

28 MOTION: A motion was made by Director Acosta and seconded by
Director Mandich to approve the Notice of Public Hearing,
with minor comments, and to direct staff to forward the
Notice of Public Hearing to all customers of record. The
motion carried 5-0.

29 ITEM NO. 1M. DISCUSSION AND POSSIBLE ACTION RELATING TO AD VALOREM 30 PROPERTY TAX DIVERSION

31 Mr. Chadd stated that it is anticipated that the ad valorem property tax
32 diversion will total approximately \$96,500.00. Following discussions with at
33 the Committee level, Mr. Chadd recommended that the diversion be collected
34 from rate payers within a one year period. Conversation took place relating
35

1 to a methodology to reimburse rate payers when the funds are paid back to the
2 District in three years. Mr. Chadd stated that he will review options.

3 MOTION: A motion was made by Director Mandich and seconded by Vice
4 President Safranski to approve the Notice of Public Hearing,
5 with minor comments, and to direct staff to forward the
6 Notice of Public Hearing to all customers of record. The
7 motion carried 5-0.

8 **ENGINEERING MATTERS**

9 **ITEM NO. 1N. STATUS REPORT RELATING TO CANYON CREEK PUMP STATION**

10 Mr. Chadd stated that the District has collaborated with the OCFA and
11 other entities to discern how best to protect against wild fires, particularly
12 in the District's closed zones. The OCFA has focused on the Canyon Creek Pump
13 Station area, requesting that the District clear shrubs from the pump station
14 and install a generator. The District does not own the area where shrubs are
15 growing, and no permits are being issued by the AQMD for generators.

16 Given the constraints of the property, the District has an interim
17 solution to a more complex problem. Electrical transfer gear has been
18 installed, and the District-owned wheeled generator can be located at the
19 site. However, the station is located on a slide area, and it is anticipated
20 considerable remediation must occur to permanently locate a generator at the
21 site.

22 Mr. Chadd stated that he will contact the Canyon Creek homeowners and
23 church representatives and schedule a workshop to advise effected property
24 owners of the situation. The estimated cost for improvements is from \$50,000
25 to \$150,000. Because the improvements benefit only the properties on Canyon
26 Creek, the property owners would be responsible for the costs which would
27 total approximately \$45.00 monthly, per property, for a 20-year period.
28 Following the workshop, a Proposition 218 public hearing can be scheduled.

The Board received and filed the status report.

ITEM NO. 10. STATUS UPDATE RELATING TO BAKER REGIONAL WATER TREATMENT FACILITY

Mr. Hector Ruiz, District Engineer, provided a status update. A number
of Preliminary Design Technical Memorandums have been submitted to the Project
Committee; the remaining memorandums will be submitted in September.

Participants will then have a better understanding of the costs. Once the costs are provided, agencies may elect not to participate.

The Board received and filed the status update.

ITEM NO. 1P. STATUS UPDATE AND POSSIBLE ACTIONS RELATING TO ROSE CANYON AND LANG WELLS UPGRADES TO TREATMENT FACILITIES

Mr. Ruiz reviewed the well project, stating that the Funding Agreement was received from the State. Mr. Ruiz is reviewing the requirements which must be fulfilled and is working on review comments to provide to the design engineer. It is anticipated that the District will finalize the bid documents and advertise the project in September or October and that the Board will award the bid in October or November 2009.

Mr. Chadd noted that a concerned resident from the Canyon area contacted him stating that she was not familiar with the project and questioning why the District had not gone through the Foothill/Trabuco Specific Planning Committee. Mr. Chadd explained that the project is categorically exempt so it was not necessary to do so. Mr. Chadd also explained the CEQA process to the resident, including the fact that an Environmental Scientist from the State of California Environment Review Unit toured the site and confirmed that CEQA compliance had been met.

On August 17, 2009 Mr. Chadd met, along with Mr. Ruiz, with four canyon residents to review all actions relating to the project, from inception to the present. The residents gained a better understanding of the project but expressed concern relating to the appearance of the perimeter fencing. Mr. Chadd will work with an architect and the residents to obtain a concept drawing to incorporate alternate fencing design to be included in the bid.

The Board received and filed the status update.

LEGISLATIVE MATTERS

ITEM NO. 1Q. REVIEW OF LEGISLATIVE INFORMATIONAL ITEMS

Mr. Chadd complimented Director Acosta for his oral communication at the MWDOC Board meeting.

The Board received and filed the information.

- END ACTION CALENDAR -

ITEMS TOO LATE TO BE AGENDIZED

1 **ITEM NO. 1R. RATIFICATION OF PURCHASE OF SOLARBEE FOR DOVE LAKE**

2 Mr. Chadd stated that the installation of the existing SolarBee has
3 worked extremely well. A second SolarBee that will be installed much deeper
4 is needed to blend the deeper water with the upper water. The installation
5 will allow the District to pull much needed water from the lake to avoid
6 supplementing the reclaimed water system with domestic water which would cause
7 the District to go over its purchased water allocation from MWDOC.

8 Conversation took place regarding negotiating with Southern California
9 Edison for a credit for the second SolarBee. Staff will attempt to do so.

10 MOTION: A motion was made by Vice President Safranski and seconded
11 by Director Haselton to ratify the expenditure of a SolarBee
12 at a cost not to exceed \$62,000.00. The motion carried 5-0.

13 **ITEM NO. 1S. CONSIDERATION OF RESOLUTION PLACING IN NOMINATION PEER A.
14 SWAN AS VICE PRESIDENT OF THE ASSOCIATION OF CALIFORNIA
15 WATER AGENCIES**

16 The Board discussed this item and declined to take action based on past
17 practice relating to nominations.

18 **OTHER MATTERS**

19 No other matters were discussed.

20 **ADDITIONAL DIRECTORS' COMMENTS**

21 There were no further comments.

22 **ADDITIONAL GENERAL MANAGER COMMENTS**

23 Mr. Chadd provided vacation schedules for a number of employees
24 and noted that he would not be in attendance at the September 16, 2009
25 Regular Board Meeting.

26 **ADJOURNMENT**

27 At 8:33 p.m. President Disston adjourned the August 19, 2009 Regular
28 Board Meeting.

Respectfully Submitted,

Sharon E. Smith
Secretary/Treasurer